

PART II, APPENDIX 4

COMPARISON OF
SELECTED SALARY DEFERRAL PROVISIONS OF
PRIVATE EMPLOYEE BENEFIT PLANS

| IRC Section | Plan Description | Exempt From FICA/FUTA | Deferral Limitation |
|----------------|----------------------------|--------------------------|----------------------------------|
| 125 | Cafeteria - Qual. Benefits | Yes | None ¹ |
| 401(a) | Contributory | No | Not Applicable |
| 401(a) | Employer-Pay-All | Yes | 6% ² |
| 401(k) | Deferred Compensation | No | \$7,000 (Indexed) ³ |
| 403(b) | Tax-Sheltered Annuity | No | \$9,500 ⁴ |
| 408(a) | IRA | No | 15% up to \$2,000 ^{5/} |
| 408(k) | SEP | Yes | 8% ^{6/} |
| 414(h) (2) | Pick-Up | No | 6% ^{2/} |
| 457 | PEDC | Yes | 33-1/3% or \$7,500 ^{7/} |

1/ For use with qualified benefits, limited to amount of premium(s) only and/or medical reimbursement amounts, both of which are subject to forfeiture of deferrals unused during plan year.

2/ HUD contribution limitation. Reduced to 5-1/2% without life insurance.

3/ 401(k) plan not permitted unless established before May 6, 1986. Reduced by deferrals to 403(b) or 408(k)

4/ Reduced by deferrals to 401(k) or 408(k).

5/ Reduced with employer-maintained plans, \$250 additional for spouse.

6/ HUD contribution limitation; life insurance not permitted.

7/ Reduced by deferrals to 401(k), 403(b) or 408(k).